Increase on pension liabilities

2276. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether a recent survey done on Indian retirement earnings and savings by the Centre for monitoring Indian economy estimates Government's current pension liabilities at a whopping Rs. 1.7 trillion;

(b) if so, to what percentage of GDP this liability has now jumped up to; and

(c) whether it is a fact that if Government relents on its new pension system which does not add up to pension liabilities further, the debt GDP ratio could become unmanageable?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Under a technical assistance agreement with the Asian Development Bank, a national sample survey was conducted to study the income, expenditure and savings behaviour of the Indian labour force. The database generated by this survey is in the public domain and can be accessed at *www.finmin.nic.in*. It is understood that Consultants of Invest India Economic Foundation (IIEF) and the Centre for Monitoring Indian Economy (CMIE) have analysed this data and estimated that the Implicit Pension Debt (IPD) or the current pension liabilities on account of Central and State Government employees is Rs. 17,35,527 crores approximately which is about 55.88% of India's GDP.

(c) The New Pension System (NPS) is a funded pension system which defines the liability of Government upfront in the case of Government employees and limits Government's liability on account of future pension payments, which would otherwise continue to increase if new recruits were to be covered under the earlier system.

Tax exemption to rental income

2277: SHRIMATI MOHSINA KIDWAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have a proposal to exempt rental income for the purpose of income tax in order to boost housing activity in the country;

(b) if so, the details of the proposal; and

(c) by when it is likely to materialize?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.

Decline in growth rate of agriculture

2278. DR. GYAN PRAKASH PILANIA: Will the Minister of FINANCE be pleased to state:

(a) the growth rate in agriculture sector during the past five years (2000-01, 2001-02, 2002-03, 2003-04 and 2004-05);

(b) how does above growth rate compare with other sectors, during that period, sector-wise;

(c) what are the reasons for sharp decline in growth rate in agriculture sector, during 2004-05; and

(d) what steps Government intends to take to improve the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) As per the data released by the Central Statistical Organisation, the sectoral real growth rates in Gross Domestic product (GDP) at factor cost during 2000-01 to 2004-05 are as follows:

Item	Percentage change over the previous year				
	2000-01	2001-02	2002-03	2003-04(Q)	2004-05(R)
I Agriculture & allied	-0.1	6.3	-7.0	9.6	1.1
II Industry	6.5	3.6	6.6	6.6	7.7
Mining & quarrying	2.4	2.5	9.0	6.4	4.5
Manufacturing	7.4	3.6	6.5	6.9	9.2
Electricity, gas & water supply	4.3	3.7	3.1	3.7	5.5
Construction	6.7	4.0	7.3	7.0	5.2
III Services	5.5	6.8	7.9	9.1	8.9
Trade, hotels, transport & communications	6.8	9.0	9.8	11.8	11.4
Financial services	3.5	4.5	8.7	7.1	7.1
Community, social & personal services	5.2	5.1	3.9	5.8	5.9
TOTAL (GDP at factor cost (I+II+III)	4.4	5.8	4.0	8.5	6.9

Q.: Quick estimates; R. Revised estimates